

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
Plaintiff,	:	
	:	
v.	:	Civil No. 5:20-cv-02274-JMG
	:	
AMBASSADOR ADVISORS, LLC, <i>et al.</i> ,	:	
Defendants.	:	

FINAL JUDGMENT AS TO DEFENDANT ROBERT E. KAUFFMAN

AND NOW, this 7th day of September, 2022, following a jury trial in which the jury returned a verdict on March 23, 2022, for Plaintiff Securities and Exchange Commission (“Commission”) finding that Defendant Robert E. Kauffman (“Defendant”) violated Section 206(2) of the Investment Advisers Act of 1940 (ECF No. 157), and upon consideration of Plaintiff’s Motion for Final Judgments Against Defendants (ECF No. 172) and Defendants’ response thereto (ECF No. 175), the Court now enters judgment against Defendant as follows:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$349,395, together with prejudgment interest thereon in the amount of \$95,972, and a civil penalty in the amount of \$349,395 pursuant to Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)]. Defendant shall deposit the total amount of disgorgement, prejudgment interest, and civil penalty with the Court, consistent with Federal Rule of Civil Procedure 67. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The funds deposited with the Court may only be disbursed pursuant to an Order of the Court.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by using all collection procedures authorized by law, including, but not limited to, moving for civil contempt at any time after 30 days following entry of this Final Judgment.

The Commission may enforce the Court's judgment for penalties by the use of all collection procedures authorized by law, including the Federal Debt Collection Procedures Act, 28 U.S.C. § 3001 *et seq.*, and by moving for civil contempt for the violation of any Court orders issued in this action. Defendant shall pay post judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant, jointly with Defendants Ambassador Advisors, LLC, Adrian E. Young, and Bernard I. Bostwick, shall send a written notice to Defendant Ambassador Advisors, LLC's advisory clients, in a form and using a method not unacceptable to the Court, that accurately explains the Commission's claims in this matter, the Court's summary judgment decision, the Court's judgment against Defendant Ambassador Advisors, LLC on Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, and the jury's verdict that each Defendant violated Section 206(2) of the Advisers Act. Defendant shall file his proposed written notice under this Section to the Court within 30 days of entry of this Final Judgment. The Commission will have two weeks thereafter during which it may provide its position to the Court regarding the adequacy or inadequacy of Defendant's proposed written notice. The Court will consider the submissions that it receives, and will serve as the final arbiter as to what constitutes an appropriate notice to Defendant Ambassador Advisors, LLC's advisory clients under this Section. Defendant may satisfy his obligations under this Section by proposing a joint written notice from all defendants in this case.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall correct and remove misleading statements about this matter from Defendant Ambassador Advisors, LLC's website, all other publicly available platforms, and Defendant's and Defendant Ambassador Advisors, LLC's Form ADV materials within 30 days of entry of this Final Judgment.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that disgorgement, prejudgment interest, and the civil penalty under this Final Judgment is a debt arising from Defendant's violation of the federal securities laws or any regulation or order issued under such laws, as detailed in 11 U.S.C. § 523(a)(19).

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment, as well as for the purposes of the administration of any distribution of the funds deposited with the Court.

VI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: September 7, 2022

BY THE COURT:

/s/ John M. Gallagher
JOHN M. GALLAGHER
United States District Court Judge